

NSC BRIEFING

29 July 1954

CHINA COAST INCIDENTS

I. 0845 (local) on 23 July, two Chinese Communist prop fighters shot down British DC-4 airliner off coast Hainan.

A. Transport apparently attacked when 30 miles south of island. Ditched five miles off south-east coast.

B. Of 18 aboard, 8 picked up by US amphibian from Philippines. 3 US citizens, 7 others, lost.

II. On 26 July, US carrier bombers, searching this general area, clashed with Chinese prop fighters.

25 YEAR
RE-REVIEW

A. After photo run on two Polish freighters, escorting Chinese gunboat, six miles off Hainan, US planes pursued by two prop fighters, fired on when 15 miles offshore.

B. Our planes downed one Chinese at that point; other was pursued, shot down in Hainan coastal waters.

III. 23 July attack (airliner) is first appearance Chinese Communist combat planes in Hainan area.

A. Planes apparently from newly-activated field at Suichi (Leichou peninsula). Possibly staged from poor fields on Hainan.

[REDACTED]

B. Suichi, one of China's largest fields, has 3-10 thousand foot runway (212 surface on 20 May). If paved, would be ideal for jet operations.

C. Only three fields on Hainan, all poor, but usable by fighters in emergency--Hoihow, Sanya and Folo.

[REDACTED]

IV. [REDACTED] attack airliner, both seem related desire protect Bloc shipping en route China.

25X1

- A. Since late June, when Tuapse seized by Nationalists south of Formosa, no Bloc ship from Europe has tried reach North China ports.
- B. Shipping bound southern port (Whampoa) since 10 July totals at least eight vessels (including two Soviet tankers, two Polish freighters).
- C. This deflection Bloc shipping hurts Peiping--normally 30,000 tons European cargo a month used in North China, Manchuria.

25X1

25X1

Approved For Release 2008/07/07 : CIA-RDP79R00890A000300040052-3

Page Denied

Approved For Release 2008/07/07 : CIA-RDP79R00890A000300040052-3

25X1

[REDACTED]

V. Concern for Bloc shipping. Following Tuapse incident, clear in Chinese Communist propaganda and in notes to UK, US.

A. Recent charge in intensified propaganda is that US supporting Nationalists in acts piracy.

B. Unprecedented apology to UK claiming airliner mistaken for Nationalist aircraft, cited Nationalist "piratical interception and robbery of merchant vessels."

25X1

C. Protest to US on 26 July clash
alleges both US "strafing"
Polish ships and US support
Nationalist interception,
robbery "merchant ships of
various nations sailing to
China for trade."

VI. Chinese protest warns US cease "such
acts of aggression" or "suffer
consequences."

- A. Chinese Communists now providing
both air, naval cover for Bloc
vessels in South China waters.
May force issue by attempting
escort vessels through Formosa
Strait to North China ports.
- B. Could also assault Nationalist-
held offshore islands.

- C. Strength in East China more than enough take Tachen or Matsu any time.
- D. Further possibility--air attacks on Formosa.